G. R. S. IX-5]

Previous references.

Sl. 1—2

1897

~~191~~.

(Banking)

File No. 18

Serial Nos. 3–6

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 3—6.

Part B for November 1897

SUBJECT.

Inspection Report of the Agricultural Bank at Hanagal, Doddaballapur Taluk

---

Dwelling house

Godown etc.

W D 58—GPB—50,000—24-7-16

c Sarée Lotti Agricultural
Bank Nos not receive book
with the file referred to above -

24.8.98

1

5

Banking
18-97
No 3

To

The Secretary to the Govt. of Myscre,
Genl & Rev. Depts

Dated 31.7.98

Despatched

Received

General No. 133
No.

Enclosure No. 2

Forwarding docket from the Inspector of Agrl Banks in Mysore, dated 29th July/98 subg notes on the inspection of Agrl Bank at Hanigur, Doddaballa=pur Dt

References to be marked.

Submitted 6/8/98
for the Secretary's orders
6/8/98

Exise.]

1898 (5a)

From The Inspector of Agricultural Banks in Mysore

To

The Secy. to the Govt. of Mysore,
Genl & Rev: Depts.
Thro' the Deputy Commissioner,
Bangalore District

Dated

Despatched 29th July 1898

Received

General No. 26

No. 9

Enclosure No. 2

In reply to

SUBJECT

Submitting a memo on the Inspection of the Agricultural Bank at Haniyur, Doddaballapur Taluk.

References (to be entered only in the Dewan's Office.)

Rec'd 2/8/98

Submitted to Secretary for orders 6/8/98

3

Office of the Inspector of Agri. Cultural Banks in Mysore.
Dated, Bangalore, 29 July 1898.

From

The Inspector of Agricultural Banks in Mysore.

To The Secretary to the Govt. of Mysore, General and Revenue Depts. Thro' the Deputy Commissioner, Bangalore District

Sir,

I have the honor to submit a memo on the Inspection of the Agricultural Bank at Hanigere, Doddaballapur Taluk.

(5)

I have the honor to be,
Sir,
Your most obedient Servant,
[signature]
Inspecting Agricultural Banks in Mysore.

D No 133.

Submitted. I agree with the Inspector of the agricultural banks.

[signature]

31.7.98. Dy. Comr.

4

Memo

Haniyur Agricultural Bank in Doddaballapur Taluk..

—:o:—

The Government Sanctioned the establishment of an Agricultural Bank at Haniyur in their Proceedings No. 4724-7 R.F. 48-97-98 dated 1st December 1897, and Sanctioned an advance of Rs 8000 for its working. Eighteen persons signed the Memorandum and Articles of Association.

2. One Ramachendra Rao

of Hanimjur is the President and his son-in-law Gubba Rao, the nominal agent. The latter says he has signed the Cash Book as directed by the President, and he is not responsible for the entries therein made.

3. The President brought Rs 5000/- from the Treasury and disbursed as per details given in the enclosed statement.

4 No applications for loans were received from the members by the Board of Directors, nor any enquiry held as to the object of the loan, or the sufficiency or otherwise of the security offered as required by

by para 45 of the Articles of Association.

5 The Proceedings held on 1st February 1878, nominating the President, Agent and three Directors became null and void as they were not confirmed in a subsequent meeting under Section 77 of the Companies Regulation. When these three Directors appointed at this meeting were asked why they did not act up to rules, and particularly why they signed the list of payments quoted above prepared by the President at certain average rates for wet and dry lands without inspection of the lands,

they pleaded ignorance, add-
ing, however, that as the
President had brought
Rs 5000/- from the Treasury
on receipt of the Certificate
of Incorporation, and gave
them to understand that
they should either sign the
list in question or resign
their membership, they were
necessitated to sign it and
receive the sums paid by
him. They further Said that
the amounts taken by the
President, his brother Ven-
kat Ramiah, his nephews
Dasappa, his son-in-law
Subbarao and two others
are

were not covered by sufficient
security. The President has
176 acres of land assessed
at Rs 587-4-0; but many
of these lands were not under
cultivation when I inspected
them last month.

6 On the 10th July 1897, he
had still to pay an assessment
of Rs 228-1-4 to Government.
The members said that the
valuation at average rates
for dry and wet lands is
most misleading, and the
waste lands not worth any-
thing have also been taken
into account in fixing the
valuation of the property

owned by some of the members

7. Out of 18 members, five persons who belong to the Agricultural class, have resigned. The leader of them by name Nanjundappa who is admitted by all the members as a very respectable man was sent for and was asked the reason of his resignation. He said the President had not acted up to his word. It appears that the President made him originally understand that as soon as the Bank was sanctioned, all the members should go and inspect the property of each member

(2)

member and for the amount
to be severally granted and
then funds drawn from the
Treasury; but instead of
doing so, the President brought
Rs 5000/- and distributed as
he liked, when he and his
friends had gone to a festi-
val.

8. One Krishnappa execut-
-ed a document for Rs 250/-
and received Rs 100 as part
payment. The President re-
ceived from him Rs 27-8--
on account of interest and
other Sundry Charges (Re-
gistration fee &c). This re-
covery finds no place in the
Cash Book. The President

says that Rs 25 belonging
to Krishnappa was paid
to one Hanumanthappa, a
Common tenant of both of
them. Subba Rao and Dasa-
ppa state that they had
paid each Rs 27-8-0 on ac-
count of interest. These sums
are also not credited in Cash Book.
The President admits having
received these sums, but says
he has private dealings with
them and will adjust their
dues when interest has to be
paid to Government.

9 The President Collected
these Sums and paid the
Same to Hanumanthappa,
a

Directors, the Ledger Book
have not been maintained.
The President ignored the
rules laid down in the Arti-
cles of Association and
also Circular orders issued
from this Office. The members
are also to blame as they
failed to take steps to re-
move the President though
they were literate men and
had power to do so.

12. Under these circumstan-
ces, I am of opinion that the
Bank should be wound
up and steps taken under
para 74 of the Articles of Asso-
ciation to recover Rs 5,00/-
and interest thereon (not
yet paid) from the members
of the Bank.

Inspector of Agricultural

12

3)

a tenant of his to liquidate a portion of his debts as the time for payment of interest to Government was only at end of June. He failed to enter any of these transactions in the Cash Book. My private enquiries shew that portions of sums shewn as paid to some of the members had not been paid them, but he squared up matters with them when I went to inspect the Bank. In short, the President dealt with the Bank funds as if they were his own.

12 There are 13 members at present on the roll, of whom 12 belong to one class. One

has no confidence in the
other: Five of these are Shan-
hogues and Six others
are their relatives.
S. B. L. & K informed them
could appoint an
their President,
that none of them
fied to be the Presi-
of the members
that the Bank should
up and that they
back the sums
by them in Febru-

affairs of this Bank
most unsatisfactory
. Even the Register
rs, the Register of

15

List of Payments made to the Enclosure 3

Members of the Haniyur Agricultural Bank, Doddaballapur Taluk

No.	Name of member	Amount of bond executed	Amount paid as first instalment	Remarks
1	H. Ramachandra Rao	2000	1600	The Amildar valued the property of these members, appearing as G. at Rs 13,5220 at an average rate of Rs 20 per acre of dry land, and Rs 40 per acre of garden land (vide Govt. No. 20 4744-7 of 1—12—97) at 4897
2	S. Venkatramiah	750	600	
3	Narasimappa	500	400	
4	Appaiya	250	100	
5	Dasappa	250	100	
6	Akkalasastri	600	300	
7	Subba Rao	500	400	
8	Hanumanthiah	250	100	
9	Krishnappa	250	100	
10	Dasappa	500	400	
11	Hanumanthappa	500	400	
12	Subbamma	750	400	
13	Kalasappa	250	100	
14	Thimmappa x	"	"	x Members that resigned.
15	Nanjundappa x	"	"	
16	Earappa x	"	"	
17	Kote Thimappa x	"	"	
18	Gaffur Sahi x	"	"	
	Total	7250	5000	

Bangalore
29th July 1898

Inspector of Agricultural Banks in Mysore

(6)

REVENUE DEPARTMENT
Cl. No. 853
AUG 8 1898
OFFICE

Gen. 30]

Banking
18-97
No. 4

From The Inspection of Co-operative Banks in Mysore.

7K124

To

The Secretary to the Govt. of Mysore,
General and Revenue Dept.

Dated 5th August 1898.
Despatched do
Received
General No. 41
No. 11
Enclosure No. nil

In reply to

SUBJECT.

Requesting to defer passing orders on the inspection Report of Harijan Agricultural Bank until submission of another report.

References (to be entered only in the Dewan's Office).

17

Office of the Inspector of
Agricultural Banks in Mysore.
Dated, Bangalore 5th August 1898.

From

The Inspector of
Agricultural Banks in Mysore,

To - The Secretary to the
Government of Mysore,
General and Revenue Departments,
Bangalore.

Sir,

In continuation of my letter No. 26/9 dated the 30th ultimo submitting a memo on the working of the Agricultural Bank at Hanuginakodaballapur Taluq, I beg to request that the Government may be pleased to defer passing orders thereon till the

submission

18

submission of another report
as the members have promised
to hold a Meeting on the 14th
instant and take steps to
carry on the business of the
Bank satisfactorily.

I have the honor to be,
Sir
Your most obedient Servant,

G. Ramjaiah
Inspector of Agricultural
Banks in Mysore.

19

Ag Bank

at Hanagur

Dharwar

Gen. 30]

189

From The Inspector of Agricultural Banks in Mysore.

(8)

Received 2602 OCT 12 1898 404 DEWAN'S OFFICE

Registered No 18-97

Serial No 5

To The Secretary to the Govt. of Mysore, General Revenue Depts.

Dated 8th October 1898

Despatched 11th — do —

Received

General No. 1552

No. 24

Enclosure No. 1

In reply to his no 1551 P.F. 48-97 of 26-8-98.

SUBJECT.

Submitting further report on the affairs of the Agricultural Bank at Haveri.

References (to be entered only in the Dewan's Office).

Reminder Desbrays

Mr (Rengacharlu) expected here in a day or two but he has not already come - Please ask him to kindly call me for a few minutes - H

Mr Rengacharlu Please 2/11/98
Come - let me know when he comes
3/11/98

Submitted
H 5/11/98

DK
3/11/98

Mr (Rengacharlu) states that early steps should be taken to recall the Bank & recall the loans

Draft orders

Submitted with Draft orders -
H 5/11/98

12.10.98 Submitted -
Reply pending
17/10

18/10 Reply sent
18.10.98

W

Office of the Inspector of Agricultural Banks in Mysore
Camp Kostagere, Dated 8th October 1898

No 15-2/26 e-1.

From

The Inspector of Agricultural Banks in Mysore

To

The Secretary to the Government of Mysore,
General and Revenue Departments,
Bangalore.

Sir,

In continuation of this office No. 41/11 (6) dated the 5th August 1898 I beg to submit for information and orders of the Government the Proceedings of the General Assembly of Hanuyin Bank held on the 14th August and confirmed on the 19th Ultimo.

2. In the first Meeting, Ramachendra Rao, the former President, was made Agent and one Lutharam Sastri President but at the Confirmation Meeting,

Ramachendra Rao

Ramachendra Rao was again nominated President and Shanbhogue Kalasappah, Agent.

3 Although all the members except two reside in villages in close proximity to Haniyur, the confirmation meeting had to be adjourned twice for want of a quorum of members and as it was at last held after the lapse of a month, the Proceedings have become void under section 77 of the Companies Regulation.

4. I was surprised to find that Ramachendra Rao against whom the other members had bitterly complained, should have been unanimously re-elected President. When I asked the member who

handed

handed me these Proceedings the
reason for this, he said confidentially
that Ramachendra Rao still
owed the members portions of
sums which had been debited
to their account in the Cash
Book and that if these Proceedings
were returned as they could not
be legally accepted under the
Companies Regulation or for any
other reason, no meeting could
again be convened as the members
were all indifferent and apathetic.

5. As stated in my Inspection
Memo submitted with this office
No. 26 dated the 29th July 1898, it
seems desirable to wind up the Bank
at this stage as the members do
not evince any interest in its success.

I have the honor to be,
Sir,
your most obedient servant,

Inspector of Agricultural
Banks in Mysore

HANIYUR AGRICULTURAL BANK
TALUK DOD BALLAPUR.
19 SEP. 1898
No

VI

VII

(2)

(3)

(4)

(5)

(6)

(7)

(8)

(9)

(10)

(11)

1

2

3

4

5

6

7

10 [illegible]

11 [illegible]

[illegible]

(19 [illegible])

[illegible]

[illegible]

1 [illegible]
2 [illegible]
3 [illegible]

99 Draft X

GOVERNMENT OF MYSORE

(9)

Banking
18-97.
No 6

Read - Letter No. 26/9 Dated 29th July 1898, from the Inspector of Agricultural Banks in Mysore, submitting a memo on the inspection of the Agricultural Bank at Hanizur, Doddaballapur Taluk -

To be printed in Extenso

II Correspondence ending with letter No. 152/26 dated 8th October 1898, from the same, reporting that one Ramachendra Rao the former President of the Bank who had been at the previous meeting made agent and against whom the other members had bitterly complained had been re-elected President at the General Meeting held on the 14th August & confirmed on the 19th September 1898, and recommending the winding up of the Bank

Sd/ B Narasimha Murthy
7-11-98

91

Sd/ 8/11/98
Superintendent
9-11-98

Sd/ 10/11/98

as the members do not evince any interest in it's success.

No 3299-301
R 748-97

Order:-

It is clear from the papers read above that the affairs of the Bank are in an unsatisfactory condition. Govt therefore direct that the loan of Rs: 5000 made by it to the Bank be at once recovered: ~~with interest and Costs~~ under para 75 of the articles of Assn. with interest & Costs if any.

The Deputy Commr: of Bangalore is requested to take very early steps under para 74 of the Articles of Association for the realisation of the money due to Govt.

By order
[illegible]
Secretary.

To The Dy Comr, Bangalore.
" Inspector of Agricultl Banks.
" The Comptroller, Mysorefort.

Proceedings of the Government of Mysore.

READ—

1. Letter No. 26—9, dated 29th July 1898, from the Inspector of Agricultural Banks in Mysore, submitting a Memo on the inspection of the Agricultural Bank at Haniyur, Dodballapur taluk.

MEMO.

Haniyur Agricultural Bank in Dodballapur Taluk.

The Government sanctioned the establishment of an Agricultural Bank at Haniyur in their Proceedings No. 4724-7—R. F. 48-97-98, dated 1st December 1897, and sanctioned an advance of Rs. 8,000 for its working. Eighteen persons signed the Memorandum and Articles of Association.

2. One Ramachendra Rao of Haniyur is the President, and his son-in-law Subba Rao, the nominal agent. The latter says he has signed the Cash Book as directed by the President, and he is not responsible for the entries therein made.

3. The President brought Rs. 5,000 from the Treasury and disbursed it as per details given in the enclosed statement.

4. No applications for loans were received from the members by the Board of Directors, nor any enquiry held as to the object of the loan, or the sufficiency or otherwise of the security offered as required by para 45 of the Articles of Association.

5. The Proceedings held on 1st February 1898, nominating the President, Agent and three Directors, became null and void, as they were not confirmed in a subsequent meeting under Section 77 of the Companies Regulation. When these three Directors appointed at this meeting were asked why they did not act up to rules and particularly why they signed the list of payments quoted above prepared by the President at certain average rates for wet and dry lands without inspection of the lands, they pleaded ignorance, adding, however, that as the President had brought Rs. 5,000 from the Treasury on receipt of the Certificate of Incorporation and gave them to understand that they should either sign the list in question or resign their membership, they were necessitated to sign it and receive the sums paid by him. They further said that the amounts taken by the President, his brother Venkatramaiya, his nephew Dasappa, his son-in-law Subba Rao, and two others were not covered by sufficient security. The President has 176 acres of land assessed at Rs. 587-4-0, but many of these lands were not under cultivation when I inspected them last month.

6. On the 10th July 1897, he had still to pay an assessment of Rs. 228-1-4 to Government. The members said that the valuation at average rates for dry and wet lands is most misleading, and the waste lands not worth anything have also been taken into account in fixing the valuation of the property owned by some of the members.

7. Out of 18 members, five persons, who belong to the agricultural class, have resigned. The leader of them by name Nanjundappa, who is admitted by all the members as a very respectable man, was sent for and was asked the reason of his resignation. He said the President had not acted up to his word. It appears the President made him originally understand that as soon as the Bank was sanctioned, all the members should go and inspect the property of each member, and fix the amount to be severally granted and then funds drawn from the Treasury ; but instead of doing so the President brought Rs. 5,000 and distributed as he liked, when he (Nanjundappa) and his friends had gone to a festival.

8. One Krishnappa executed a document for Rs. 250 and received Rs. 100 as part payment. The President received from him Rs. 27-8-0 on account of interest and other sundry charges (Registration fee, &c). This recovery finds no place in the Cash Book. The President says that Rs. 25 belonging to Krishnappa were paid to one Hanumantappa, a common tenant of both of them. Subba Rao and Dasappa state that they had paid each Rs. 27-8-0 on account of interest. These sums are also not credited in Cash Book. The President admits having received these sums, but says he has private dealings with them and will adjust their dues when interest has to be paid to Government.

9. The President collected these sums and paid the same to Hanumantappa, a tenant of his, to liquidate a portion of his debts as the time for payment of interest to Government was only at end of June. He failed to enter any of these transactions in the Cash Book. My private enquiries show that portions of sums shown as paid to some of the members had not been paid them, but he squared up matters with them when I went to inspect the Bank. In short, the President dealt with the Bank funds as if they were his own.

10. There are 13 members at present on the roll, of whom 12 belong to one class. One has no confidence in the other. Five of these are shanbhogs, and six others are their relatives. When I informed them that they could appoint another as their President they said that none of them was qualified to be the President. Six of the members stated that the Bank should be wound up and that they would pay back the sums borrowed by them in February next.

11. The affairs of this Bank are in a most unsatisfactory condition. Even the Register of Members, the Register of Directors, the Ledger Book, have not been maintained. The President ignored the rules laid down in the Articles of Association and also circular orders issued from this office. The members are also to blame as they failed to take steps to remove the President though they were literate men and had power to do so.

12. Under these circumstances, I am of opinion that the Bank should be wound up and steps taken under para 74 of the Articles of Association to recover Rs. 5,000 and interest thereon (not yet paid) from the members of the Bank.

List of payments made to the members of the Haniyur Agricultural Bank, Doddballapur taluk :—

No.	Names of Members.	Amount of bond executed.	Amount paid as first instalment.	Remarks.
		Rs.	Rs.	
1	H. Ramachendra Rao	2,000	1,600	The Amildar valued the property of these members, aggregating 471 acres and 22 guntas, at Rs. 13,500 at an average rate of Rs. 20 per acre of dry land and Rs. 40 wet (*Vide* Government Proceedings No. 4724-7, R. F. 48-97 of 1st December 1897). * Members that resigned.
2	S. Venkataramaiya ...	750	600	
3	Narasingappa .. .	500	400	
4	Appaiya .. .	250	100	
5	Dasegauda . ..	250	100	
6	Ahobalasastri ...	500	300	
7	Subba Rao	500	400	
8	Hanumanthaiya . . .	250	100	
9	Krishnappa	250	100	
10	Dasappa .. .	500	400	
11	Hanumantharaya	500	400	
12	Subbanna . ..	750	400	
13	Kalasappa ..	250	100	
14	* Thimmegauda	...	...	
15	* Nanjundappa	...	...	
16	* Eregauda	...	...	
17	* Koto Thimmappa	..	.	
18	* Gaffar Sabi .	.	.	
	Total ..	7,250	5,000	

II. Correspondence ending with letter No. 152—26, dated 8th October 1898, from the same, reporting that one Ramachendra Rao, the former President of the Bank, who had been at the previous meeting made Agent and against whom the other members had complained, had been re-elected President at the general meeting held on the 14th August and confirmed on the 19th September 1898, and recommending the winding up of the Bank as the members do not evince any interest in its success.

33

Financial, dated 11th November 1898.

No. 3299-301—R. F. 48-97, DATED BANGALORE, 11TH NOVEMBER 1898.

ORDER THEREON.—It is clear from the papers read above that the affairs of the Bank are in an unsatisfactory condition. Government therefore direct, under para 75 of the Articles of Association, that the loan of Rs. 5,000 made by it to the Bank be at once recovered with interest and costs, if any. The Deputy Commissioner of Bangalore is requested to take very early steps under para 74 of the Articles of Association for the realization of the money due to Government.

C. SREENIVASIENGAR,
Secy. to Govt., Gen. & Rev. Depts.

To—The Deputy Commissioner, Bangalore District.
The Inspector of Agricultural Banks in Mysore.
The Comptroller to the Government of Mysore.

Exd.—H.A.B.

24

1898-99

GOVERNMENT OF MYSORE

FINANCIAL

PROCEEDINGS

Dated 11th November 1898

No 3299-301 / R.F.48-97.

Directing the immediate recovery of the loan of Rs. 5,000 made to the Agricultural Bank at Haniyur in the Dodballapur taluk, its affairs being in an unsatisfactory condition.

MGBPB—20-2-99—50